

## Construction Bulletin

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## **CEMP-C**

Subject: PCO/ACO Process Action Team Issues

Applicability: GUIDANCE

- 1. PURPOSE. This provides a summary wrap-up of certain issues that came out of subject PAT.
- 2. BACKGROUND. Several issues/actions resulted from a Process Action Team comprising field contracting and construction personnel that met in Washington last May. Most of the accepted recommendations to improve our construction contract administration process have been or are being implemented in various forms of policy and guidance from this Headquarters.
- 3. Following are the issues determined appropriate for treatment in this summary bulletin.
- a. <u>Increase in ACO Authority.</u> An Engineer Acquisition Letter will be issued by the PARC to revise the upper limit of ACO authority from the current \$100,000 to \$500,000. Implementing guidance will be provided by a PARC Instruction. Ground rules include; (1) must have held a warrant previously, (2) must meet DAWIA requirements, (3) must support request for warrant with a bonafide need (reasonable expectation of large value modifications). The AFARS still requires legal sufficiency reviews for any actions above \$100,000.
- b. <u>ACO Authority on Service Contracts</u>. ACO authority for service contracts will be granted on a case-by-case basis depending upon a bonafide need and submission of a fully justified request to the PARC (CEPR-ZA).
- c. <u>Contracting (1102) Personnel in Field Offices</u>. Normally, contracting series personnel should work in the district office for the Chief of Contracting. In special situations where a particular expertise is required in a field office they may be assigned to work for the Area or Resident Engineer. Notwithstanding, contracting personnel must still receive career program counseling and support from the Chief of Contracting.

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d. <u>Letter of Delegation (ACO & COR)</u>. Only one letter of delegation should be issued an individual serving as an ACO or COR. Some districts have been providing two letters of authority delegation to individuals appointed as ACO's to delineate ACO responsibilities and COR responsibilities separately. An ACO has full COR authority and does not need a separate letter.

- e. Standard Contract Administration Guide. The Construction Contract Administration PROSPECT training course guide which was first published in October 1995 will be used as the standard Corps guide after staffing and review by appropriate Headquarters elements. This guide is updated every year by an interdisciplinary instructor team made up of field construction, contracting and legal practitioners and represents Corps construction management procedures and methods. This guide is not intended to supplant local district guides, but is offered as a source of information and assistance in administering construction contracts.
- 4. This Construction Bulletin has been coordinated with the Office of the Principal Assistant Responsible for Contracting (CEPR-ZA) and the Operations, Construction, and Readiness Division (CECW-OC).

CHARDES R. SCHROER
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